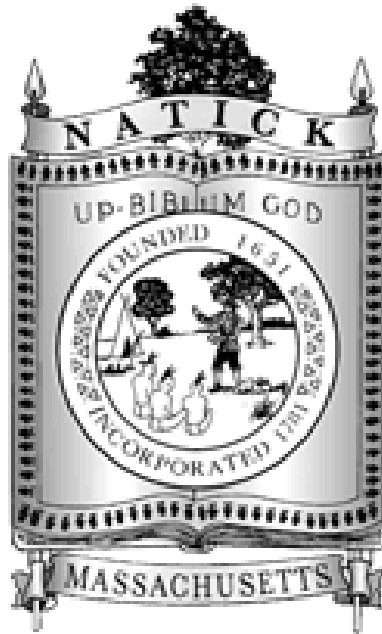


# ***Town of Natick***

## ***2010 Fall Town Meeting***



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### **Recommendations of the Natick Finance Committee**

October 19, 2010 – Wilson Middle School – Natick, MA

**PLEASE BRING THIS BOOK**  
**WITH YOU TO THE**  
**FY 2010 ANNUAL FALL TOWN MEETING**  
**TUESDAY, October 19th, 2010**  
**7:30 PM**  
**WILSON MIDDLE SCHOOL AUDITORIUM**



# Finance Committee *Town of Natick* Massachusetts 01760

October 8, 2010

Greetings to all Town Meeting Members and Citizens of Natick,

This report contains the Natick Finance Committee recommendations regarding appropriations for Fiscal Year 2011 supplemental budgets and Capital Budget requests. In addition, this report contains our recommendations on all of the other 2010 Fall Annual Town Meeting Warrant Articles in accordance with the Natick Home Rule Charter and Natick By-laws regarding Finance Committee responsibilities.

All of the Finance Committee recommendations are made after we conduct a number of duly noticed public hearings and open meetings of the Finance Committee as a whole. We have taken into account comments and data gathered from all of the Warrant Article Sponsors, Town Department Heads, Town and School Administrations, Town Boards and Commissions, as well as the public at large.

The Finance Committee made its recommendations only after affording ample time for input and discussion during our meetings held on September 14<sup>th</sup>, 16<sup>th</sup>, 21<sup>st</sup>, 23<sup>rd</sup>, 28<sup>th</sup>, and 30<sup>th</sup>.

The 2010 Fall Annual Town Meeting Warrant has ONLY thirty six (36) articles, compared to sixty one (61) last Fall and a mere forty eight (48) last Spring, which of course brings us back to a normal size recommendation book.

Recently there has been a lot of discussion and commentary about the Finance Committee spending their time digging into the Town's "Policy" issues while reviewing the Town Meeting Warrant Articles at our public hearings. During one of our recent meetings the Finance Committee took the time to review and discuss this very subject. It was a constructive discussion, during which many of the members in attendance expressed their varying concerns and opinions on this issue.

The Finance Committee's charge is clearly defined within the Natick Charter & By-laws, at a few different locations, but the key wording that I have found is from the By-law Article 23 at Section 4 - Report, Recommendations, which reads as follows:

"The Finance Committee shall consider ALL matters of business included within the articles of any warrant for a Town Meeting, and shall, after due consideration, report thereon, in print, its recommendation as to each article."

This sentence is the key to understanding why the Finance Committee has a clear responsibility to review each and every Article published within a Town Meeting Warrant. The concerns voiced about "policy" have typically come from the folks that think the Finance Committee should be only reviewing "financial" Articles and Budgets, after all that's what our committee name implies.

As Chairman of this committee I believe that it is the mandated responsibility of the Finance Committee to review ALL Articles and present our recommendations to the Town Meeting Members. All of these Articles will eventually be voted on by the Representative Town Meeting and that is when it will be decided as to whether or not a "policy" will be changed.

However, we also need to provide a forum that will allow the information concerning all of the Articles to reach the public. The Finance Committee members are the "watchdogs" for the citizens of Natick. We are serving them best when we are asking all of the tough questions that need to be asked.

Many volunteers, especially the fifteen (15) members of the Finance Committee, as well as many members of other committees and boards and Town staff, work diligently to help bring all of this information to the Representative Town Meeting.

The Finance Committee would also like to thank a very special member of our community, Mr. Dominic Mallozzi. He is a citizen that has volunteered hundreds of hours of his time to our Public Safety and Public Works Departments while attempting to keep the Town of Natick up to date with all of the latest changes within our emergency response and communication systems.

His volunteer efforts have not only saved the community many, many thousands of dollars, he has also helped to keep the communication systems between our Town Departments running smoothly, as well as managing many of the complex connections to our neighbor towns and state emergency systems.

**Thank you Dom – We appreciate all that you have done, ever so quietly, for our community!!**

We would also like to express our thanks and appreciation for all of the hard work and dedication contributed by all of the Town officials, members of boards, committees and departments, as well as many concerned citizens, for their cooperation and participation during our Warrant Article public hearings.

We would especially like to once again thank Ms. Joyce Towers, our recording secretary, for the consistently excellent efforts that she has made when recording and transcribing our extensive meeting minutes.

Respectfully the Finance Committee submits our recommendations for the 2010 Fall Annual Town Meeting Warrant Articles for your consideration.

Respectfully submitted,



Richard P. Jennett Jr.  
Chairman, Natick Finance Committee

Tony Lista, Vice Chairman  
Jonathan Freedman, Secretary  
Mari Barrera  
James Brown  
John Ciccariello

Cathi Collins  
James Everett  
Bruce Gorton  
Robert Hickman  
John Horrigan

Kenneth Hoyt  
Jerry Pierce  
Richard Sidney  
Harlee Strauss



# ***Town of Natick***

2010 Fall Town Meeting – Town Meeting Information Book

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## **Town Administrator's Budget Message & Update**



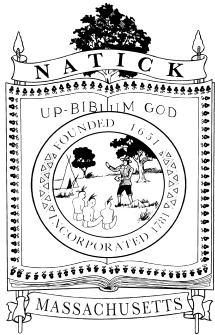
# ***Town of Natick***

2010 Fall Town Meeting

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# **TOWN OF NATICK**

## **Massachusetts 01760**

*www.natickma.gov*

*Martha L. White*  
*Town Administrator*

*Michael Walters Young*  
*Deputy Town Administrator*

### **TOWN ADMINISTRATOR'S REPORT TO THE 2010 FALL ANNUAL TOWN MEETING UPDATE REGARDING FISCAL YEAR 2011 BUDGET October 19, 2010**

This memorandum provides Town Meeting members with an update regarding the FY 2011 budget using the most current revenue and expense information available, a look ahead at the balance of the fiscal year, and information regarding financial actions proposed at the 2010 Fall Annual Town Meeting.

#### **FY 2011: From Spring ATM to Fall ATM**

The Spring Annual Town Meeting approved a total General Fund budget of \$106,958,773 in support of FY 2011 operations. Three-plus months into the fiscal year, there have been few, and modest, changes in our revenue and expense projections.

#### Changes to Revenues: Spring ATM to Fall ATM:

Specifically, the only revenue change reflected in our current revenue projections is in the use of \$764,577 in Free Cash, all of which will be used for capital or other non-recurring needs. We anticipate receiving Free Cash certification from the Department of Revenue in advance of the start of Town Meeting; our estimated Free Cash amount is approximately \$3 million.

As we move forward in FY 2011, we will again be closely monitoring the State revenue outlook. Recent revenue figures have been consistent with or above state forecasts, however any dip in state revenue could portend a reduction – including possibly a mid-year reduction – in state aid to communities.

#### Changes to Expenses: Spring ATM to Fall ATM:

Three changes in the operating budget are requested under Article 1 (the FY 2011 Omnibus Budget).

- 1) Police Salaries (Crossing Guards): In the originally approved FY 2011 budget, 9 Crossing Guard positions were funded; this was a reduction from the 10 funded positions in the FY 2010 budget. The Administration is proposing to fund two

additional positions at a cost of \$22,292. The Police Department has indicated that these Crossing Guards will be assigned to Mill Street and Pitt Street.

- 2) Comptroller Salaries: When building the FY 2011 budget, we assumed a mid-range salary for the Comptroller, whereas a higher salary was offered to our recently hired Comptroller; \$15,000 is requested.
- 3) Various Municipal Line Items for Personnel Board Employees: Funding in the amount of \$63,512 is requested within the operating budget to fund one-time payments to non-union personnel; the payment would be equal to 2% of the employees' base pay and would not be added to their base pay. This group of employees, which includes all employees who are not members of a union, is quite varied in their pay, job responsibilities and schedule; a sampling of positions includes library pages, crossing guards, building inspectors, parking enforcement officers, health agents, gardening assistants, mid and top level managers and more. A total of 81 employees are eligible for this proposed payment. The payment is requested by the Personnel Board and Town Administrator because the non-union employees have not received a cost-of-living adjustment since July 2007, whereas all other general government employee groups have received such adjustments – to varying degrees – in each of the succeeding years. Three consequences have resulted: (1) some of the non-union supervisory personnel make less than the union employees whom they supervise (2) many of the salaries of this employee group are significantly lower than comparable positions in comparable communities and (3) this group of employees has been treated differently than their colleagues simply by virtue of not being unionized. Note that an additional \$98 is requested from Water/Sewer User Fees and \$1,231 is requested from Golf Course User Fees to fund the 2% payment for employees funded from those sources. A complete list of eligible employees and their proposed payments is included in the Finance Committee's material under Article 1.

In addition to these proposed operating budget expenditures, a number of non-recurring expenditures are proposed at this Town Meeting, including actions that represent fulfillment of previous commitments made to Town Meeting or enhanced conformance with the Town's Financial Management Principles.

- 1) Establish and Fund a Capital Stabilization Fund (Articles 2 and 3). These actions are intended to fulfill a policy objective of the Board of Selectmen and a subsequent commitment to Town Meeting regarding the use of revenues derived from the newly accepted local option taxes. Specifically, during debate regarding the adoption of a 0.75% local option meals tax and an additional 2% local option hotel/motel room tax, the Selectmen recommended approval of these taxes provided that the revenues be used to fund capital needs, including associated debt. During presentations to Town Meeting, the Administration committed to use the revenues consistent with the Selectmen's policy objective, and Town Meeting approved both local option taxes. The establishment of this Capital Stabilization Fund will provide transparency as to the amount of monies generated through the local option meals tax and the additional local option hotel/motel tax and ensures that the funds are used for capital/debt purposes only.

- 2) Funding of Capital Equipment and Improvements (Articles 9 and 10). The Town's Financial Management Principles stipulate that a minimum of 8% of general fund revenues - and ideally 10% - should be set aside annually to fund capital needs, inclusive of cash appropriations and the subject year's debt budget. We have not met the minimum target since FY 2008; recent capital spending, as a percent of general fund revenues, is as follows:

FY 2009: 7.07%

FY 2010: 7.18%

FY 2011: 7.04% (Based on capital spending proposed at this Fall Annual Town Meeting)

While we will not meet the target number in FY 2011, the capital spending proposed at the Fall Annual Town Meeting is the largest single proposal since FY 2008; over \$3.8 million in capital spending is proposed. Most of this is proposed to be funded through debt, however, and the debt payments will not impact the budget until FY 2012 and beyond.

In evaluating and scheduling the requests of various departments, the Administration uses the following criteria, listed in their order of priority:

- a. Imminent threat to the health and safety of citizens or property
- b. Timely improvement/replacement of a capital asset to avoid inevitable additional future costs incurred through deferment
- c. Requirements of state or federal law or regulation
- d. Improvement of infrastructure
- e. Improvement of productivity/efficiency

In proposing this significant capital spending, we looked carefully at the vast number of capital needs that have been deferred in recent years. This issue has been a recurring cautionary theme in recent budget messages – that our failure to adequately fund our capital needs, while a reasonable short-term response to fiscal challenges, is not a sustainable pattern. The administration is committed to working toward adequately funding these needs.

Towards that end, we have recently engaged in a five-year outlook of our capital needs, their cost and method of funding (cash or borrowing), anticipated timing for that funding, and the resulting annual impact on our cash needs and debt budget. The objective of this analysis is to develop a funding plan to, as best as possible, meet our capital needs while maintaining a stable impact on the budget. That is, I anticipate that the result of this effort will be a recommendation to amend the Town's Financial Management Principles to (1) address the funding goals for "within levy" debt (that which is funded through the operating budget) separately from "outside levy" debt (that which is funded through debt exclusion, such as the

High School and Community/Senior Center) and (2) potentially adjust our target goals.

- 3) Acquisition of Land adjacent to Fire Station 4 (Article 11) and Disposition of the Former East School (Article 15). These two non-recurring spending proposals are also being put forward for Town Meeting's consideration; both are described in detail within the Finance Committee's recommendations for each Article.

### A Look Ahead

While Natick seems to have weathered quite well the economic storm plaguing municipalities and states nationwide, we still face challenges ahead, including:

**State Aid:** The FY 2011 state budget uses nearly \$2 Billion of one-time (non-recurring) revenues. The extent to which the state will meet this shortfall in FY 2012 by reducing aid to cities and towns remains to be seen. We have forecasted a 10% reduction in local aid for FY 2012.

**Collective Bargaining/Health Care Changes:** The General Government and School Department continue to bargain with their unions (10 general government and 7 school). Progress is being made in this regard and we are hopeful that some settlements will be reached prior to the conclusion of this Fall Annual Town Meeting.

**Realignment of Services:** The Office of the Town Administrator annually undertakes a comprehensive review of one or two areas of municipal service delivery; last year we completed an analysis of our Emergency Medical Services. This year we are studying the delivery of Human Services as well as Facilities Maintenance and Management. This latter study will consider, among other things, opportunities to consolidate these services between the general government and school department. Work products completed to date can be found on the Town Administrator's page on the Town's website [www.natickma.gov](http://www.natickma.gov)

### Conclusion

Our conservative budgeting approach has served the Town well. At the last Spring Annual Town Meeting we not only were able to balance the Town's operating budget without use of one-time revenues from the Stabilization Fund and Overlay Surplus accounts but we also deposited \$1.6 million into the Stabilization Fund. We are by no means, however, riding easy. We must continue our fiscally prudent approach, while recognizing those areas of government where budget and staffing reductions have noticeably affected our ability offer the variety and quality of services that are valued by Natick's residents. The challenges brought about by the need to balance these objectives will be addressed with a reasoned approach, transparent debate and a view toward a stable future for the community.

## Fall 2010 Warrant Articles Hearing Votes

Article	Warrant Article Title	Art. Sponsor	Fin Com Votes	Selectmen Votes	Planning Bd. Votes
<b>Article 01</b>	Omnibus Budget Fiscal 2011	Town Admin	<b>Favorable Action</b>	Favorable Action	
<b>Article 02</b>	Creation of Capital Stabilization Fund: Revenue from Meals Tax & Revenue From Hotel/Motel 2% Increase	Town Admin	<b>Favorable Action</b>	Favorable Action	
<b>Article 03</b>	Funding of Capital Stabilization Fund	Town Admin	<b>Favorable Action</b>	Favorable Action	
<b>Article 04</b>	Stabilization Fund	Town Admin	<b>No Action</b>	No Action	
<b>Article 05</b>	Collective Bargaining	Town Admin	<b>Refer to Sponsor</b>		
<b>Article 06</b>	Personnel Board Pay Plan	TA & Personnel Bd	<b>No Action</b>		
<b>Article 07</b>	Amend By-Law Article 24: Personnel By-Law	TA & Personnel Bd	<b>Favorable Action</b>	Favorable Action	
<b>Article 08</b>	Retiree Health Insurance	Town Admin	<b>Favorable Action</b>	Favorable Action	
<b>Article 09</b>	Capital Equipment	Town Admin	<b>Favorable Action</b>	Favorable Action	
<b>Article 10</b>	Capital Improvement	Town Admin	<b>Favorable Action</b>	Favorable Action	
<b>Article 11</b>	Acquisition of Land Adjacent to Fire Station 4	Town Admin	<b>Favorable Action</b>	Favorable Action	
<b>Article 12</b>	Unpaid Bills	Town Admin	<b>No Action</b>		
<b>Article 13</b>	Natick 360: Progress Report	Town Admin	<b>Favorable Action</b>		
<b>Article 14</b>	Home Rule Petition Regarding Duration of Contract with Police Chief	Town Admin	<b>Favorable Action</b>	Favorable Action	
<b>Article 15</b>	Home Rule Petition Regarding Disposition of Former East School	Town Admin	<b>Favorable Action</b>	Favorable Action	
<b>Article 16</b>	Home Rule Petition: Beer & Wine Licenses	Bd of Selectmen	<b>Refer to sponsor</b>	Refer to BOS	
<b>Article 17</b>	Home Rule Petition: Removal of Building Commissioner Position from Civil Service	Bd of Selectmen	<b>Favorable Action</b>	Favorable Action	Refer to Sponsor, Plan Bd., ZBA
<b>Article 18</b>	Amend Composition & Charge of High School Building Committee	Supt. of Schools	<b>Favorable Action</b>		
<b>Article 19</b>	Amend By-Law Article 40 - Town Reports and Records	Planning Board	<b>Favorable Action</b>		Favorable Action
<b>Article 20</b>	Amend By-Law Article 41 - Advance Actions by Town Boards on Town Meeting Warrant Articles	Paul E. Connolly, et al	<b>Refer to Sponsor</b>	Ref. to Spon. & Info Systems Adv. Bd.	
<b>Article 21</b>	Amend By-Law Article 60 - Fire Regulations	Town Admin	<b>Favorable Action</b>		
<b>Article 22</b>	Amend By-Law Article 74 - Junk Dealers	Town Admin	<b>Favorable Action</b>	Favorable Action	
<b>Article 23</b>	Amend By-Law Article 72 - Building Fees	Larry Forshner, et al	<b>Refer to Sponsor</b>	Indef. Post.	
<b>Article 24</b>	Amend By-Law Article 72 - Fences	Craig R. Oliver. et al	<b>Favorable Action</b>	Favorable Action	Refer to Planning Board
<b>Article 25</b>	Amend By-Laws: Construction Hours	Planning Board	<b>No Recommend</b>	Favorable Action	Favorable Action
<b>Article 26</b>	Street Acceptance: Main Street	Town Admin	<b>Refer to TA</b>	Refer to Town Administrator	
<b>Article 27</b>	Street Acceptance: North Main Street (portion)	Town Admin	<b>Favorable Action</b>	Favorable Action	
<b>Article 28</b>	Street Acceptance: E. Central (portion); W. Central (portion) Rt 135	Town Admin	<b>No Action</b>	No Action	
<b>Article 29</b>	Amend By-Laws: Create Sex Offender By-Law	Bd of Selectmen	<b>Favorable Action</b>	Favorable Action	
<b>Article 30</b>	Amend Zoning By-Laws: Off-Street Parking Construction & Acquisition Fund	Planning Board	<b>Favorable Action</b>	Favorable Action	Favorable Action
<b>Article 31</b>	Funding for Crossing Guard Positions	Michael Walz, et al	<b>Refer to Sponsor</b>	No Action	
<b>Article 32</b>	Consolidate School & Town Administrative Functions, Including but not limited to Financial, Personnel, and Maintenance Functions	Patrick Hayes, et al	<b>Favorable Action</b>	Favorable Action	
<b>Article 33</b>	School and Municipal Budget Cooperation	Patrick Hayes, et al	<b>No Action</b>	No Action	
<b>Article 34</b>	Funding for Improvements to Oak Street Gravel Pit/Public Works Storage	Sarkis Sarkisian, et al	<b>Refer to sponsor, TA, DPW, Rec Dept.</b>	Indef. Post.	
<b>Article 35</b>	Funding for Improvements to Memorial Field/West Street at High School	Sarkis Sarkisian, et al	<b>Refer to Sponsor</b>	Indef. Post.	
<b>Article 36</b>	Acceptance of Drainage Easement - East Central St.	Paul R. Croft, et al	<b>Favorable Action</b>	Favorable Action	



# ***Town of Natick***

2009 Fall Town Meeting – Town Meeting Information Book

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# ARTICLE 1

## Omnibus Budget

### (Town Administrator)

To determine what sum or sums of money the Town will raise and appropriate, or transfer from available funds, for the operation of the government of the Town of Natick, including debt and interest, and to provide for a reserve fund for Fiscal Year 2011 (July 1, 2010 to June 30, 2011), and to see what budgets for Fiscal 2011 will be reduced to offset said additional appropriations, or otherwise act thereon.

**RECOMMENDATION:** By a vote of 13-0-0 on September 30, 2010, The Finance Committee recommends FAVORABLE ACTION with regard to the subject of Article 1.

	Appropriated	Current TA	FinCom Rec'd	Difference
<b>Police</b>				
Salaries	5,248,018	5,270,310	5,248,018	(22,292)
Expenses	216,650	216,650	216,650	0
Other Chgs. & Expenses	10,500	10,500	10,500	0
<b>Total Police</b>	<b>5,475,168</b>	<b>5,497,460</b>	<b>5,475,168</b>	<b>(22,292)</b>

*During the review of this article it was noted:*

- Based on the recommendation of the Police Department, \$22,292 is proposed to be added to that department's budget to fund two additional crossing guard positions.
- These positions will be deployed at Mill Street and the Pitts Street intersection with Regina Pratt Way and the need for a comprehensive Town-wide plan for pedestrian safety was stressed.
- This item was also discussed under Article 31 as a citizen petition for a crossing guard at Pitt Street.

<b>Comptroller</b>				
Salaries	271,288	286,288	271,288	(15,000)
Expenses	25,150	25,150	25,150	0
<b>Total Comptroller</b>	<b>296,438</b>	<b>311,438</b>	<b>296,438</b>	<b>(15,000)</b>

*During the review of this article it was noted:*

- Additional funds are proposed to be added to the Comptroller's budget to fund the salary for the recently hired Comptroller which is higher than the budgeted amount.

<b>Employee Fringe</b>				
Other Personnel Services	15,282,089	15,282,089	15,282,089	0
Other Personnel Services	18,750	18,750	18,750	0
Other Personnel Services	0	63,512	0	(63,512)
<b>Total Employee Fringe</b>	<b>15,300,839</b>	<b>15,364,351</b>	<b>15,300,839</b>	<b>(63,512)</b>

## Article 1 Cont'd

*During the review of this article it was noted:*

- *An amount of \$63,512 funded from Free Cash is proposed to enable the Administration to award a one-time payment amounting to 2% of annual salary to all non-union personnel. (Two other groups funded below) Each employee Must be a current member of the Personnel Board Pay Plan*
- *The proposed payment would not be added to the base pay or to a benefits base, as this would be a one-time payment.*
- *Each must have been employed by the Town of Natick prior to July 1, 2010*
- *Each must have been part of a group of Personnel Board Employees whose wage scale had not been evaluated and/or adjusted in the recent past.*
- *All totaled, 81 employees are eligible for a total of \$64,480 worth of payments.*
- *These individuals, nearly all of whom are long-term highly valued employees, have received no salary increase for the past three years, while union personnel have all received increases.*
- *Many of these individuals are supervising personnel who are being paid higher salaries than these managers and, although a market survey conducted in 2005 indicated the performance range rates to be competitive within the market, funds have not been available since that study to raise these salaries within that range.*

<b>Utility Billing</b>				
Salaries	100,948	101,046	100,948	(98)
Expenses	120,700	120,700	120,700	0
<b>Total Utility Billing</b>	<b>221,648</b>	<b>221,746</b>	<b>221,648</b>	<b>(98)</b>

*During the review of this article it was noted:*

- *These are part of the 2% payments – only these are funded from the Water/ Sewer User Fees.*

<b>Sassamon Trace Operations</b>				
Salaries	144,294	145,525	144,294	(1,231)
Expenses	457,998	457,998	457,998	0
<b>Total Sassamon Trace</b>	<b>602,292</b>	<b>603,523</b>	<b>602,292</b>	<b>(1,231)</b>

*During the review of this article it was noted:*

- *These are part of the 2% payments – only these are funded from the Sassamon Trace User Fees.*

<b>Total Appropriation sought under Article 1</b>		<b>\$ 102,133</b>
And that to meet this appropriation, \$102,133 comes from the following sources:		
Free Cash		100,804
Water/Sewer User Fees		98
Sassamon Trace User Fees		1,231
<b>Total</b>	<b>\$</b>	<b>102,133</b>



Article 1 Cont'd

**MOTION:** (Requires a majority vote)

Move that the Town vote to appropriate the sum of \$102,133 as amendments to the following appropriations voted at the Annual Spring Town Meeting commencing on April 27, 2010 under Article 2 as follows:

Article 2, Motion B	Police Department - Salaries	\$ 22,292
Article 2, Motion E	Comptroller - Salaries	\$ 15,000
Article 2, Motion G	Employee Fringe - Other Personnel Services	\$ 63,512
Article 2, Motion H1	Utility Billing - Salaries	\$ 98
Article 2, Motion I	Sassamon Trace Operations - Salaries	\$ 1,231

And that to meet this appropriation, the sum of \$102,133 be raised from the following sources:

Free Cash	\$ 100,804
Water/Sewer User Fees	\$ 98
Sassamon Trace User Fees	\$ 1,231
<b><u>TOTAL</u></b>	<b><u>\$ 102,133</u></b>

## **ARTICLE 2**

### **Creation of Capital Stabilization Fund**

#### **(Town Administrator)**

To see if the Town will vote to create a Capital Stabilization Fund for the purpose of funding any capital-related project, or pieces of capital equipment, or debt-service payment related thereto, as authorized by Chapter 40, Section 5B of the General Laws, as amended, or take other action relative thereto.

**RECOMMENDATION:** By a vote of 12-0-0 on September 21, 2010, The Finance Committee recommends FAVORABLE ACTION with regard to the subject of Article 2.

*During the review of this article it was noted:*

- *The purpose of Article 2 is to authorize the creation of the Capital Stabilization Fund,*
- *The establishment of this Fund fulfills a policy objective of the Board of Selectmen, as well as a commitment to Town Meeting – to (1) be transparent as to the amount of monies generated through the local option meals tax and the additional local option hotel/motel tax and (2) use these funds for capital/debt purposes only.*
- *Since municipalities are authorized to establish as many Stabilization funds as they wish, no approval from the State Attorney General is required for this Article.*
- *The Administration plans to add to this fund at each Fall Town Meeting once year-end receipt totals from these two taxes are known.*
- *No targets have been established for the new fund. Once a reasonable amount has been accumulated, funds will begin to be drawn for capital project funding as well as debt payments associated with the two debt exclusion projects.*
- *There was an expectation, based on discussion which surrounded the decision to adopt the additional hotel/motel tax, that some of the funds generated would be used to promote the Town and its hotels and businesses. An amount of \$40,000 was previously appropriated by Town Meeting as “seed money” for economic development and, with Town Meeting’s approval that could be drawn from these funds or from some other source.*
- *The total amount determined to have been generated as a result of the two new taxes will be deposited in the new Capital Stabilization Fund. There is no plan to reduce the amounts should other local receipts revenues fall short.*
- *Several questions were raised regarding the fact that the revenues were generated in the previous fiscal year, but the appropriation to the new stabilization account would appear to be made from current fiscal year funds. There was concern that this should be tracked appropriately.*

**MOTION:** (Requires 2/3 vote)

**Move that the Town vote to create a Capital Stabilization Fund for the purpose of funding any capital-related project, or pieces of capital equipment, or debt-service payment related thereto, in accordance with Chapter 40, Section 5B of the General Laws, as amended.**

**ARTICLE 3**  
**Funding of Capital Stabilization Fund**  
**(Town Administrator)**

To see if the Town will vote to appropriate a sum of money from available funds for the purpose of supplementing the Capital Stabilization Fund under Article 2 of the warrant for Fall Annual Town Meeting of 2010, as authorized by Chapter 40, Section 5B of the General Laws, as amended, or take other action relative thereto.

**RECOMMENDATION:** By a vote of 12-0-0 on September 21, 2010, The Finance Committee recommends FAVORABLE ACTION with regard to the subject of Article 3, funding for the amount of \$307,913 total, \$237,617 from local option meals tax, \$70,296 from 2% increase of local option hotel/motel tax.

*During the review of this article it was noted:*

- *The purpose of Article 3 is to authorize the appropriation of monies into the Capital Stabilization Fund.*
- *The total amount determined to have been generated as a result of the two new taxes will be deposited in the new Capital Stabilization Fund. There is no plan to reduce the amounts should other local receipts revenues fall short.*
- *Several questions were raised regarding the fact that the revenues were generated in the previous fiscal year, but the appropriation to the new stabilization account would appear to be made from current fiscal year funds. There was concern that this should be tracked appropriately.*
- *Based on year end data, the incremental revenue generated in fiscal 2010 from implementation of the two taxes was the following:*

<i>Local meals tax (0.75%):</i>	<i>\$237,617</i>
<i>Hotel/motel tax increase (2%):</i>	<i><u>\$ 70,296</u></i>
<i><b>Total:</b></i>	<i><b>\$307,913</b></i>

**MOTION:** (Requires 2/3 vote)

**Move that the Town vote to appropriate the sum of \$307,913 to the Capital Stabilization Fund, and that sum of \$307,913 be raised from Tax Levy.**

**ARTICLE 4**  
**Stabilization Fund**  
**(Town Administrator)**

To see if the Town will vote to appropriate a sum of money from available funds for the purpose of supplementing the Stabilization Fund under Article 22 of the warrant for Annual Town Meeting of 1961, as authorized by Chapter 40, Section 5B of the General Laws, as amended, or otherwise act thereon.

**RECOMMENDATION:** By a vote of 12-0-0 on September 21, 2010, The Finance Committee recommends **NO ACTION** with regard to the subject of Article 4.

*During the review of this article it was noted:*

- *The Administration was not proposing to appropriate any funds into Stabilization Fund.*
- *It was noted that Natick was one of very few communities which had added to their Stabilization Fund at the Spring 2010 Annual Town Meeting.*

**MOTION:**

**NO ACTION**

**ARTICLE 5**  
**Collective Bargaining**  
**(Town Administrator)**

To see if the Town will vote to raise and appropriate, or otherwise provide, the funds necessary to implement the Terms of Agreements reached between the Town and the following collective bargaining units:

- a) Public Employees Local Union 1116 of the Laborers International Union of North America – Clerical unit
- b) Public Employees Local Union 1116 of the Laborers International Union of North America – Public Works Laborers unit
- c) Public Employees Local Union 1116 of the Laborers International Union of North America – Library employees
- d) Public Employees Local Union 1116 of the Laborers International Union of North America – Recreation employees
- e) Supervisors and Administrators Association
- f) The Natick Patrol Officers Association
- g) New England Police Benevolent Association, AFL-CIO, Local 82
- h) New England Police Benevolent Association, Inc. Natick Police Dispatchers, Local 182
- i) Local 1707 International Association of Firefighters
- j) The Deputy Fire Chiefs Association

Or otherwise act thereon.

**RECOMMENDATION:** By a vote of 12-0-0 on September 30, 2010, The Finance Committee recommends REFERRAL TO THE TOWN ADMINISTRATOR with regard to the subject of Article 5.

*During the review of this article it was noted:*

- *The Town Administrator stated that she was hoping to have something to present regarding this Article before Town Meeting and might request the Finance Committee to convene prior to the start of that Meeting.*
- *If there is another hearing on this Article before or during Town Meeting the Finance Committee will provide an addendum info sheet at the next Town Meeting held.*

**MOTION:** *(Requires majority vote)*

**Move that the Town vote to refer the subject matter of Article 5 to the Town Administrator.**

**ARTICLE 6**  
**Personnel Board Pay Plan**  
**(Town Administrator and Personnel Board)**

To see if the Town, pursuant to the authority contained in Section 108A of Chapter 41 of the General Laws, will vote to amend the by-laws by adding to Article 24, Section 3, a new paragraph deleting certain position titles, adding new position titles and effecting changes in the salary ranges as presently established and will provide the money necessary therefore, or take any action relative thereto.

**RECOMMENDATION:** By a vote of 12-0-0 on September 14, 2010, The Finance Committee recommends **NO ACTION** with regard to the subject of Article 6.

*During the review of this article it was noted:*

*Mr. Steve Levinsky, Chair, Natick Personnel Board, advised us that following discussions with the Town Moderator, the decision had been made to request No Action on Article 6, as the subject matter of the Article, which included a funding request, would more appropriately fit within Article 1.*

**MOTION:**

**NO ACTION**

## ARTICLE 7

### **Amend By-Laws Article 24: Town Employees and Personnel Board (Town Administrator and Personnel Board)**

To see if the Town will vote to amend Article 24 of the Town of Natick By Laws as follows:

- 1) In Section 7 – Employee Benefits, subsection 7.1 – Holidays, add a new paragraph at the end thereof to read as follows: “If the holiday falls on a Saturday, it will be observed on the preceding Friday, and if the holiday falls on a Sunday, it will be observed on the following Monday.”
- 2) In Section 7 – Employee Benefits, subsection 7.2.2, delete the subsection in its entirety and replace with the following:

“Vacations shall be granted on an accrual basis, with the pro-rated vacation awarded on the first day of each month, based on the following schedule:

Length of Service	Vacation
0-5 years	3 weeks
5-10 years	4 weeks
10+ years	5 weeks

Provided, however, that the Town Administrator shall have the discretion at the time of hire of new staff to grant vacation up to a maximum of (5) five weeks, based on the new hire’s vacation earnings at his/her most recent position and market conditions affecting the Town’s ability to attract qualified personnel.”

- 3) In Section 7 – Employee Benefits, subsection 7.2.3, delete the subsection in its entirety and replace with the following:

“Vacation for a new employee shall be pro-rated based on the number of full months worked in his/her first fiscal year of employment, provided however that vacation shall not be taken until after the probation period”
- 4) In Section 7 – Employee Benefits, subsection 7.5 – Bereavement Leave, delete the subsection in its entirety, and replace with the following: “In the event of death of a member of an employee’s family (as defined below), the employee will be permitted to be absent without loss of pay based at the employee’s straight time hourly rate of pay, as follows:
  - a. For the employee’s parents, children, spouse or co-habiting significant other – five (5) days
  - b. For the employee’s siblings, grandparents, grandchildren, aunts, uncles, parents-in-law and siblings-in-law three (3) days.”
- 5) In Section 3 – Classification, subsection 3.2, add a new sentence at the end thereof to read as follows: “Provided however that the Town Administrator, pursuant to the Employee Evaluation procedure described in Section 9 and subject to available funds, may award a bonus to those employees whose work exceeds expectations; said bonus shall not be added to base pay.”

## Article 7 Cont'd

Or take other action relative thereto.

**RECOMMENDATION: By a vote of 13-0-0 on September 14, 2010, The Finance Committee recommends FAVORABLE ACTION with regard to the subject of Article 7.**

*During the review of this article it was noted:*

- *While an increase in the vacation time for non-union personnel is proposed, a change in the accrual method is proposed as well. That is, the vacation would accrue on a pro-rated basis on the first day of each month. At present, and with all unions, all vacation is awarded on the first day of the fiscal year (or calendar year in the case of public safety unions). This can – and has – proven quite costly if a person leaves the Town's employment shortly after the full vacation accrual is awarded.*
- *This Article provides an option for the Town Administrator to award a bonus to individual employees whose work exceeds expectations, provided this conforms to budgetary constraints;*
- *This Article also provides clarification, revision and codification of policies and procedures relating to observance of holidays which fall on weekend days; bereavement leave and vacation accrual (See the summary of vacation accruals below).*
- *Added discretion for the Town Administrator to grant additional vacation time when appropriate, or indicated, in order to enhance recruitment for key positions.*

*Member questions and discussion included the following:*

- *Clarification was requested regarding the role of the Board of Selectmen regarding any bonus proposed by the Town Administrator for the three positions appointed by that Board (Police Chief, Fire Chief and Comptroller).*
- *Some concerns were expressed regarding safeguards against any potential for abuse of the additional latitude to award bonuses being granted to the Town Administrator. The budgetary limit on available funding was identified to be an effective safeguard.*
- *Any bonus granted under this provision would contribute to pension benefit calculation.*
- *A question was raised as to why the vacation accrual of non-union library personnel was not being brought into line with other personnel. This will be explored further by the Personnel Board.*

**SEE REDLINES OF BYLAW CHANGES &  
VACATION ACCRUALS BELOW.**



## Article 7 Cont'd

**MOTION:** *(Requires majority vote)*

Move that the Town vote to amend Article 24 of the Town of Natick By Laws as follows:

- 1) In Section 7 –Employee Benefits, subsection 7.1 –Holidays, add a new paragraph at the end thereof to read as follows: “If the holiday falls on a Saturday, it will be observed on the preceding Friday, and if the holiday falls on a Sunday, it will be observed on the following Monday.”
- 2) In Section 7 –Employee Benefits, subsection 7.2.2, delete the subsection in its entirety and replace with the following:

“Vacations shall be granted on an accrual basis, with the pro-rated vacation awarded on the first day of each month, based on the following schedule:

Length of Service	Vacation
0-5 years	3 weeks
5-10 years	4 weeks
10+ years	5 weeks

Provided, however, that the Town Administrator shall have the discretion at the time of hire of new staff to grant vacation up to a maximum of (5) five weeks, based on the new hire’s vacation earnings at his/her most recent position and market conditions affecting the Town’s ability to attract qualified personnel.”

- 3) In Section 7 –Employee Benefits, subsection 7.2.3, delete the subsection in its entirety and replace with the following:  
“Vacation for a new employee shall be pro-rated based on the number of full months worked in his/her first fiscal year of employment, provided however that vacation shall not be taken until after the probation period”
- 4) In Section 7 –Employee Benefits, subsection 7.5 –Bereavement Leave, delete the subsection in its entirety, and replace with the following: “In the event of death of a member of an employee’s family (as defined below), the employee will be permitted to be absent without loss of pay based at the employee’s straight time hourly rate of pay, as follows:
  - a. For the employee’s parents, children, spouse or co-habiting significant other –five (5) days
  - b. For the employee’s siblings, grandparents, grandchildren, aunts, uncles, parents-in-law and siblings-in-law three (3) days.”
- 5) In Section 3 –Classification, subsection 3.2, add a new sentence at the end thereof to read as follows: “Provided however that the Town Administrator, pursuant to the Employee Evaluation procedure described in Section 9 and subject to available funds, may award a bonus to those employees whose work exceeds expectations; said bonus shall not be added to base pay.”

**REDLINED PARAGRAPHS**

**ARTICLE 24**

**TOWN EMPLOYEES AND PERSONNEL BOARD**

**Section 3 Classification**

3.2 The Pay Plan shall fix the compensation for each employee covered under the Personnel By-law. Provided however that the Town Administrator, pursuant to the Employee Evaluation procedure described in Section 9 and subject to available funds, may award a bonus to those employees whose work exceeds expectations; said bonus shall not be added to base pay.

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**Section 7 Employee Benefits**

**7.1 Holidays**

All "Full-Time" and "Regular Part-Time" employees shall be paid for the following holidays, if such employee has been in a regular pay status during the pay period preceding said holiday:

New Year's Day  
Memorial Day  
Martin Luther King Day  
Independence Day  
Washington's Birthday  
Labor Day  
Patriot's Day  
Columbus Day  
Veteran's Day  
Thanksgiving Day  
Christmas Day

Whenever any of the holidays listed above fall on an employee's day off or during vacation, the employee shall receive a compensatory day off in lieu of said holiday. Said compensatory day off shall be taken prior to the end of the fiscal year at a time approved by the Department Head.

If the holiday falls on a Saturday, it will be observed on the preceding Friday, and if the holiday falls on a Sunday, it will be observed on the following Monday.

**7.2 Vacations**

7.2.1 Vacations shall be calculated based upon the fiscal year of the Town. Vacations shall be based upon the length of service as of the anniversary date of employment of each employee.

7.2.2 Vacations shall be granted based upon length of service as follows:

~~Service on July 1st:~~

~~Less than 3 months ————— 0 days~~

~~3 months, but less than 12 months — 1 day for each month of service in excess of 3 months service~~

~~12 months but less than 5 years ————— 10 days~~

## Article 7 Cont'd

<del>5 years but less than 10 years</del>	<del>15 days</del>
<del>10 years but less than 20 years</del>	<del>20 days</del>
<del>20 years or more</del>	<del>25 days</del>

Vacations shall be granted on an accrual basis, with the pro-rated vacation awarded on the first day of each month, based on the following schedule:

<u>Length of Service</u>		<u>Vacation</u>
<u>0-5 years</u>	<u>3</u>	<u>weeks</u>
<u>5-10 years</u>	<u>4</u>	<u>weeks</u>
<u>10+ years</u>	<u>5</u>	<u>weeks</u>

Provided however that the Town Administrator shall have the discretion at the time of hire of new staff to grant vacation up to a maximum of (5) five weeks, based on the new hire's vacation earnings at his/her most recent position and market conditions affecting the Town's ability to attract qualified personnel.

7.2.3 Vacation for a new employee shall not be taken until after the probation period.

7.2.3 Vacation for a new employee shall be pro-rated based on the number of full months worked in his/her first fiscal year of employment, provided however that vacation shall not be taken until after the probation period.

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### **7.5 Bereavement Leave**

In the event of death of a member of an employee's immediate family, the employee will be permitted to be absent for three (3) consecutive calendar days without loss of pay based at the employee's straight time hourly rate of pay. The immediate family is defined as parents, spouse, parents of spouse, sisters and brothers of spouse, grandparents, grandchildren, children, brothers and sisters of the employee, brothers-in-law and sisters-in-law of the employee.

In the event of death of a member of an employee's family (as defined below), the employee will be permitted to be absent without loss of pay based at the employee's straight time hourly rate of pay, as follows:

- a. For the employee's parents, children, spouse or co-habiting significant other – five (5) days
- b. For the employee's siblings, grandparents, grandchildren, aunts, uncles, parents-in-law and siblings-in-law – three (3) days.

SUMMARY OF VACATION ACCRUALS BY EMPLOYEE GROUP

Clerical	Dispatchers		
1-5 years	2 weeks	1-5 years	2 weeks
5-10 years	3 weeks	5-10 years	3 weeks
10 or more	4 weeks	10 or more	4 weeks
20 or more	5 weeks		

DPW Laborers	DPW		Supervisors
1-5 years	2 weeks	1-5 years	2 weeks
5-10 years	3 weeks	5-10 years	3 weeks
10 or more	4 weeks	10 or more	4 weeks
20 or more	5 weeks	20 or more	5 weeks

Firefighters	Fire		Deputies
1-5 years	2 weeks	1-5 years	2 weeks
5-10 years	3 weeks	5-10 years	3 weeks
10 or more	4 weeks	10 or more	4 weeks
20 or more	5 weeks	20 or more	5 weeks

Police Officers	Police		Superior Officers
1-5 years	2 weeks	1-5 years	2 weeks
5-10 years	3 weeks	5-10 years	3 weeks
10 or more	4 weeks	10 or more	4 weeks
20 or more	5 weeks	20 or more	5 weeks

Recreation and Parks	
1-5 years	2 weeks
5-10 years	3 weeks
10 or more	4 weeks
20 or more	5 weeks

Library  
4 weeks vacation per year provided they worked at least 30 weeks in preceding year